

significant. A recent study by the Boeing Co. emphasizes the critical importance of our firm stand during that dispute.

Boeing Company's recently released annual world cargo forecast predicts the highest air freight market growth over the next 20 years will occur on Asian routes. Moreover, the study found international express delivery service grew 25 percent last year and it predicts the market will grow 18 percent a year for the next 20 years. That is why it was of critical importance that we safeguarded Federal Express' beyond rights. Now, Federal Express is well-positioned to earn its fair share of expanding Pacific rim business opportunities.

Later this month in Tokyo, our negotiators will attempt to secure a United States/Japan open skies agreement on cargo. I hope these talks result in the fullest liberalization of cargo shipping rights possible. I am confident our cargo carriers can effectively compete with their Japanese counterparts if protectionist regulations are eliminated and market forces are allowed to work.

EXHIBIT 1

[From the Journal of Commerce, Aug. 31, 1995]

FEDEX HUB TO GIVE LIFT TO SHIPPERS, PHILIPPINES

(By William Armbruster and P.T. Bangsberg)

Subic Bay, once the jumping off point for the U.S. military's cold war efforts in Asia, becomes key to Federal Express Corp.'s expansion plans on Monday, providing a major boost for the company, the local Philippine economy and both Asian and North American shippers.

AsiaOne, FedEx's intra-Asian network, opens its new Asia hub Sept. 4 at the former naval base. The operation, which nearly sparked a trade war with Japan, is shaking up the Asian market, making both regional and trans-Pacific shipments easier, quicker and cheaper while spurring foreign investment in the Philippines.

"It's really going to expand opportunities for investment in the Philippines," said Levi Richardson, director of the U.S.-Philippine Business Committee in Washington.

AsiaOne, FedEx's intra-Asia network, "will make the Philippines very attractive as a regional hub for other companies," Mr. Richardson said. "A lot of small and medium companies are looking at countries with a good infrastructure. FedEx's investment is going to provide them an opportunity to grow their business."

Joseph Schwieterman, a transportation economist at DePaul University in Chicago, said the new FedEx service will lead to intense price competition.

"I think you're going to see the price of intra-Asia shipments drop as much as 25% as competition heats up," he said, adding that AsiaOne also will provide overnight service on some routes for the first time.

Much of the foreign investment thus far at Subic Bay, a former U.S. naval base, has come from Taiwanese companies, such as Acer Inc., ranked the world's seventh-largest brand name personal computer vendor in 1994 by International Data Corp. in Framingham, Mass.

"The new FedEx service will be a great benefit for us by cutting lead time inbound and speeding shipments outbound," said Kenny Wang, manager at Acer Information Products (Philippines) Inc.

"Having a direct flight into Subic from Taipei will cut the time for delivery of components to one or two days from two or three days when routed via Manila, and 10 days by sea," Mr. Wang told The Journal of Commerce.

Cliff Deeds, a FedEx spokesman, said the carrier will have a single cutoff time for pickups in the Asian markets served by the new network, whereas shippers in the past faced different cutoffs depending on where they were shipping their goods. For those in Penang, a high-tech manufacturing center off the northwest coast, they might have a 1 p.m. deadline for shipments to Seoul, but a 2 p.m. cutoff for packages going to Taipei.

Under the new FedEx network, the cutoff in Singapore will be 4 p.m., for example, but at Subic Bay, it will be 10 p.m., Mr. Deeds said.

"I see FedEx being instrumental in bringing Asian markets closer to the U.S.," said Raul Rabe, the Philippines' ambassador to the United States.

The Subic Bay flights, connecting 11 Asian business centers, will hook up with the carrier's expanded trans-Pacific operation. Acer's Mr. Wang said he looks forward to the new flight starting Sept. 4 from Osaka to Oakland, Calif., where FedEx has a regional hub serving Silicon Valley. "We've been promised one-day service on that run," he said.

Subic is Acer's first manufacturing site outside Taiwan. It has earmarked \$35 million over the next two years for expansion, with officials expecting to double capacity of its existing complex to 200,000 units by next year.

Acer will also add a global repair center at Subic "to take advantage of the abundant availability of high-quality local engineering talent," said Managing Director Harvey Chang.

TEXAS INSTRUMENTS GREET'S MOVE

Larry Horton, manager of logistics carrier management for Texas Instruments, welcomed the new FedEx operation. "It will give us a lot more cargo flights," he said. "We used to have to rely on commercial carriers for intra-Asia shipments."

The semiconductor manufacturer has a large operation in the Philippine city of Baguio and hopes FedEx will set up a small feeder service linking it with Subic Bay, he said, adding that the new hub will enable the company to feed its plants in Taiwan, Malaysia and Singapore.

"It should help us. Cycle time should be improved. Inventory reduction should take place," Mr. Horton said.

ANOTHER MEMPHIS

Joseph C. McCarty, FedEx's vice president for Asia, told a conference in Washington this summer that the Subic Bay operation will do for the Philippines what the carrier's main hub in Memphis has done for that city, where more than 100 companies have set up manufacturing operations to take advantage of the carrier's overnight network.

Japanese companies are starting to move in. The Japan International Development Organization is planning a 450-acre industrial park that will serve as a research and manufacturing center for 10 Japanese companies.

Subic, meanwhile, is promoting itself as an alternative printing and distribution center in Asia, a field now dominated by Hong Kong and Singapore.

Eric Montandon, manager at New Age Publications in Subic, said the new FedEx service could help his firm. New Age is essentially a printer, but also distributes newsletters, advertising and other material within the region.

"We were spun off and set up at Subic in anticipation of good air connections," he

told The Journal of Commerce. "We need the overnight service to Southeast Asia FedEx is now promising."

Current movement to Singapore can be two or even four days, he said.

DHL Worldwide Express plans to set up its own intra-Asia hub later this fall in Manila, but has had difficulty putting all the pieces together. Nonetheless, spokesman Dave Fonkalsrud said its traffic within the region was up 48% in the first half of this year, reflecting the tremendous potential in the world's fastest-growing area.

THE BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, on that evening in 1972 when I first was elected to the Senate, I made a commitment that I would never fail to see a young person, or a group of young people, who wanted to see me.

It has proved enormously beneficial to me because I have been inspired by the estimated 60,000 young people with whom I have visited during the nearly 23 years I have been in the Senate.

Mr. President, most of them have been concerned about the enormity of the Federal debt that Congress has run up for the coming generations to pay. The young people and I almost always discuss the fact that under the U.S. Constitution, no President can spend a dime of Federal money that has not first been authorized and appropriated by both the House and Senate of the United States.

That is why I began making these daily reports to the Senate on February 22, 1992. I wanted to make a matter of daily record of the precise size of the Federal debt which as of yesterday, Monday, September 11, stood at \$4,962,944,077,933.57 or \$18,839.42 for every man, woman, and child in America on a per capita basis.

MICKELSON WETLAND MEMORIAL

Mr. PRESSLER. Mr. President, nearly 2½ years have passed since South Dakota Gov. George S. Mickelson and eight distinguished South Dakota businessmen were killed tragically when their small aircraft crashed near Dubuque, IA. During this time, South Dakotans have grieved together over the loss of the crash victims. They are greatly missed.

Dealing with the loss of these prominent citizens has not been easy. Yet, the people of South Dakota have been strong. They have channeled their sorrow into great displays of respect and affection for the crash victims. Memorials have been built, statues erected, scholarships funded, and schools renamed—all in honor of the nine who perished in the fiery crash. I am proud of South Dakotans.

Last Saturday, September 9, a marsh near Estelline, SD, was dedicated in memory of Governor Mickelson, an avid geese hunter. Commissioned to paint an image of the Mickelson Wetland Memorial, Mark Anderson, a South Dakota wildlife artist, created a poignant image of the late Governor